

Chen, Isaac

From: James Durbin <james.durbin@c-ka.com>
Sent: Monday, June 06, 2016 10:40 AM
To: Shell, Karrie-Jo; Chen, Isaac
Cc: Wilson, Scott; James Durbin
Subject: FW: BSEE / BOEM issue Final PEA & FONSI - Pacific OCS WST
Attachments: removed.txt
Importance: High

Good morning,

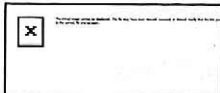
Please see below regarding BSEE and BOEM publishing a joint Environmental Assessment on use of well stimulation treatments in federal waters off California. I think it certainly worth considering as you move forward with your respective permits.

BSEE and BOEM issued a Finding of No Significant Impact (FONSI) from the use of specific well stimulation treatments in oil and gas activities on the Pacific Outer Continental Shelf (OCS).

The comprehensive analysis showed there is minimal impact when conducted in accordance with permit requirements.

Thanks,
James

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From: Steve Hamm [mailto:shamm@latitudesenvironmental.com]
Sent: Monday, June 6, 2016 9:24 AM
To: James Durbin <james.durbin@c-ka.com>
Subject: FW: BSEE / BOEM issue Final PEA & FONSI - Pacific OCS WST

BSEE and BOEM Publish Joint Environmental Assessment on Use of Well Stimulation Treatments in Federal Waters off California

Comprehensive analysis finds no significant environmental impacts from practice

05-27-2016 WASHINGTON

The Bureau of Safety and Environmental Enforcement (BSEE) and Bureau of Ocean Energy Management (BOEM) have completed a comprehensive environmental analysis evaluating the potential impacts from the use of well stimulation treatments on the 23 oil and gas platforms currently in operation on the Outer Continental Shelf offshore California.

Based on the analysis in this joint Programmatic Environmental Assessment (EA), BSEE and BOEM issued a *Finding of No Significant Impact (FONSI)* from the use of specific well stimulation treatments in oil and gas activities on the Pacific Outer Continental Shelf (OCS). The EA and the FONSI are available for viewing <http://pocswellstim.evs.anl.gov/>.

“Drawing on the best available science, the EA provides information and analysis on the use of well stimulation treatments in federal waters offshore California. The comprehensive analysis shows that these practices, conducted according to permit requirements, have minimal impact,” said BOEM Director Abigail Ross Hopper. “As always, coordination with other key agencies, and input from the public and non-governmental organizations, were vitally important as we developed this assessment.”

The programmatic EA evaluated several categories of treatments, including hydraulic fracturing, a range of alternatives, and all environmental resources that could potentially be impacted. The analysis indicated no significant environmental impacts associated with any of the alternatives considered. The EA provides valuable information that BSEE’s Pacific Region will consider in future processing of permits involving Well Stimulation Treatments.

“BSEE is fully committed to safeguarding the environment,” said BSEE Director Brian Salerno. “Anyone familiar with our regulations understands that they not only address worker and operational safety, but also require the industry to function as environmental stewards. We consider vigorous environmental enforcement central to the Bureau’s mission.”

The EA was conducted as part of settlement agreements to resolve lawsuits regarding the Bureaus’ compliance with the National Environmental Policy Act, Outer Continental Shelf Lands Act, and Coastal Zone Management Act. Pending completion of the EA, BSEE agreed to withhold approvals of future Applications for Permit to Drill and Applications for Permit to Modify involving hydraulic fracturing and certain well stimulation treatments on the Pacific Outer Continental Shelf. Under the agreements, BSEE will develop a mechanism to increase transparency in the permit approval process, as well as a method to alert the public of newly submitted complete permit applications for hydraulic fracturing or acid well stimulation

BSEE and BOEM received more than 10,000 comments on the draft assessment during the 30-day public comment period that ended on March 23, 2016. After carefully reviewing those comments, the Bureaus revised the text of the final EA where appropriate, including amending the statement of Purpose and Need, clarifying the descriptions of alternatives, and adding information on greenhouse gases and climate change.

The resource areas evaluated in the offshore environment include water quality impacts from discharges of produced water, and the potential for associated impacts to fish and wildlife. Considering the low expected concentrations of well stimulation treatment chemicals and the protective nature of the EPA’s National Pollutant Discharge Elimination System General Permit and required monitoring of aquatic life, the analysis in

the EA affirms that wastewater discharges from proposed well stimulation activities will not have a significant impact on the environment. Accidental releases of well stimulation treatment fluids have a relatively higher potential to cause impacts, but the probability of an accident occurring and the reasonably foreseeable size of a resulting release are so small that such accidents would not be expected to cause a significant impact.

There have been 24 well stimulation treatments (21 of which involved hydraulic fracturing) on the OCS offshore California between 1982 and 2014, and these were conducted on four of the 23 platforms. Reservoirs on the OCS off Southern California tend to be much more permeable than onshore reservoirs, and are already highly naturally fractured. Therefore, little permeability enhancement has been required for their development. As described in the scenario evaluated in the EA, the future use of Well Stimulation Treatments is expected to continue to be occasional rather than essential to hydrocarbon production from these platforms.

The Department of the Interior remains committed to safe offshore operations and appropriate environmental reviews of associated activities. BSEE and BOEM continue to fully comply with the terms of the settlement agreements in an effort to enhance the transparency of the permitting process.

